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*Counsel for Ad Hoc Group of Subrogation Claim Holders*

**UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF CALIFORNIA  
SAN FRANCISCO DIVISION**

**In re:**

**PG&E CORPORATION,**

**-and-**

**PACIFIC GAS AND ELECTRIC  
COMPANY,**

**Debtors.**

- ☐ Affects PG&E Corporation  
☐ Affects Pacific Gas and Electric  
Company  
☒ Affects both Debtors

*\* All papers shall be filed in the lead case,  
No. 19-30088 (DM)*

Chapter 11  
Bankr. Case No. 19-30088 (DM)  
(Jointly Administered)

**OPPOSITION OF THE AD HOC GROUP OF  
SUBROGATION CLAIM HOLDERS TO THE  
OFFICIAL COMMITTEE OF TORT  
CLAIMANTS' PROPOSED LANGUAGE  
FOR CONFIRMATION ORDER**

Date: June 8, 2020  
Time: 9:30 a.m. (PT)  
Place: United States Bankruptcy Court  
Courtroom 17, 16<sup>th</sup> Floor  
San Francisco, CA 94102

1 The Ad Hoc Group of Subrogation Claim Holders (the “**Ad Hoc Subrogation Group**”) in the  
2 above-captioned chapter 11 cases of PG&E Corporation and Pacific Gas and Electric Company  
3 (collectively, “**Debtors**”), by its attorneys Willkie Farr & Gallagher LLP and Diemer & Wei, LLP,  
4 hereby submits this opposition (the “**Opposition**”) to the Official Committee of Tort Claimants’ (the  
5 “**TCC**”) Proposed Language for Confirmation Order on page 20 (slide 19) of Exhibit A to *The*  
6 *Official Committee of Tort Claimants’ Submission of Argument Demonstrative* [Docket. No. 7804]  
7 (the “**TCC’s Proposed Language**”). In support of this Opposition, the Ad Hoc Subrogation Group  
8 respectfully represents as follows:

9 **OPPOSITION**

10 Paragraphs 40 and 41 of the proposed confirmation order filed by the plan proponents on May  
11 26 [Docket No. 7581] (the “**Proposed Confirmation Order**”) relate to Insurance Policies of the  
12 Debtors, and insurance neutrality language with respect to the Debtors’ insurers. *See Debtors’ and*  
13 *Shareholder Proponents’ Joint Chapter 11 Plan of Reorganization Dated May 22, 2020* [Docket No.  
14 7521] (the “**Plan**”) at § 1.128 (“Insurance Policies means any insurance policies issued prior to the  
15 Effective Date to any of the Debtors . . .”). The TCC’s Proposed Language, however, relates to  
16 insurance policies issued by non-debtor third parties to other non-debtor third parties and serves no  
17 identifiable purpose.

18 The Plan already reserves rights individual insureds may have against their insurers. Section  
19 10.9(b) of the Plan provides: “nothing herein shall be deemed to impose a release by holders of Fire  
20 Victim Claims of insurance claims arising under their insurance policies against holders of  
21 Subrogation Wildfire Claims, other than any rights such holder may elect to release as part of any  
22 settlement as set forth in Section 4.25(f)(ii) hereof.” Plan, at § 10.9(b). Section 4.25(f)(ii) is the  
23 negotiated, consensual requirement that individual fire victim claimants must sign the Mutual Made  
24 Whole Release as a condition to settling with the Fire Victim Trust. Paragraph two of the Mutual  
25 Made Whole Release also preserves insureds’ rights: “Parties to this Release further agree and  
26 acknowledge that the Claimant is not releasing any claims, except and only to the extent set forth  
27 above [*i.e.* the made-whole release], they might have against the Insurer . . .”. Plan, at Exhibit C, ¶2.

1           Accordingly, the Ad Hoc Subrogation Group opposes the addition of the TCC's Proposed  
2 Language to the Proposed Confirmation Order. The issues counsel to the TCC is trying to address  
3 with the new language have been negotiated, resolved and are addressed elsewhere. The TCC has  
4 failed to articulate what issue or disagreement is resolved by the new language, and, to the extent the  
5 TCC's Proposed Language differs from other negotiated language, it adds ambiguity rather than  
6 resolves issues.

1 Dated: June 6, 2020

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3 **WILLKIE FARR & GALLAGHER LLP**

4  
5 /s/ Matthew A. Feldman

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